

Department of Licensing  
Business and Professions Division  
Real Estate Appraiser Section

**REAL ESTATE APPRAISER SPECIAL COMMISSION MEETING MINUTES**

July 8, 2005

OPENING      The Real Estate Appraiser Special Commission Meeting was held at the Drivers Licensing Station, Tacoma, Washington

**MEMBERS**

PRESENT:      Dean Potter, Chair  
Brent Palmer, Vice-Chair  
John P. Fredrickson, Commissioner  
Cheryl Farivar, Commissioner  
Michael Lightbourne, Commissioner  
Linda Owings-Rosenburgh, Commissioner  
Stephen Juntala, Commissioner

**STAFF**

PRESENT:      David Santhuff, Program Manager  
Ralph Birkedahl, Professional Licensing Manager

**I.                CALL TO ORDER:**

Chair Dean Potter called the meeting to order at 9: a.m.

**APPROVAL OF AGENDA:**

Chair Potter asked that the Education Qualification Criteria report be moved to the first issue.

**II.              NEW BUSINESS:**

**A.              EDUCATION QUALIFICATION CRITERIA:**

Commissioner Lightbourne gave a brief introduction and explained the purpose of his proposed 10-member work group. The mission of this group is to evaluate education and training to licensees and potential licensees, ensure that Washington is competitive with other states and verify that Washington meets the Appraiser Qualifications Board's requirements. The group's first tasks are to establish priorities for Washington state education and training issues, then to make recommendations to the Commission regarding these issues, and, finally, to get started working these issues as fast as possible. The first work group meeting will be in about five weeks and the results will be presented to the Commission during the November Commission meeting. Commissioner Lightbourne recommended the work group be established for an indefinite period.

After brief discussion, Vice-chair Palmer motioned that the education work group be established with a term based on workload. The motion was seconded and unanimously passed.

**B. COMMISSION BY-LAWS:**

Program Manager Santhuff and Commissioner Juntila provided the Commission with two drafts of the Commission By-Laws.

Commissioner Farivar recommended that Article XI read: "A Chairman and Vice-Chairman will be elected by majority vote of the Commissioners and shall serve for not more than two consecutive one-year elected terms for their respective position commencing January 2004."

Chair Potter also recommended that the year be change to "2006".

Commissioner Juntila recommended that Preamble be changed to read: . . . approve these by-laws to clarify commission organization structure, advisory responsibilities, characteristics, actions, and procedures."

Commissioner Owings-Roseenburgh motioned that the word "advisory" be added to the Preamble. It was seconded and passed.

Commissioner Farivar moved that "ReaEstate Appraiser Commission" be capitalized in Article I. It was seconded and passed.

Program Manager Santhuff reported to the Commission that the statement in Article II "The posting of the Appraiser Commission meetings on the Department of Licensing internet website shall be considered as constructive notice to the public." is not in compliance with notification procedures and should be removed.

Vice-Chair Palmer read Article II with changes: "The real estate appraiser commission meets at the call of the director. Regularly scheduled meetings will occur in February, May, August and November on the third Friday. Department requirements may necessitate altering regularly scheduled or the call of special meetings as determined by executive decision of the chairperson and/or director. Notice for all meetings will be given 30 days preceding scheduled or special meetings in compliance with RCW 42.30.80." Delete the next sentence regarding constructive notice. "The date, time, location, and agenda of the meetings shall be posted on the real estate appraiser program website at: [www.dol.wa.gov/app/appfont.htm](http://www.dol.wa.gov/app/appfont.htm) at least 10 days prior to the meeting." Also incorporated was Commissioners Juntila's draft language regarding location.

It was moved to adopt Article II as amended, seconded and passed

Commissioner Farivar moved to adopt Article III and IV with no changes. The motion was seconded and passed.

Commissioner Juntila recommended language be added to Article V establishing time for public comment.

Vice-Chair Palmer moved to adopt Articles V, VI, VII and VIII as drafted. It was seconded, and passed with one negative vote.

Commissioner Juntala's recommended language for Article IX was slightly modified to include the phrase "Unless contravened for law".

Vice-Chair Palmer recommended that the motion also include changing the terms chairman and vice-chairman to chairperson and vice-chairperson throughout the By-Laws.

A motion was made to adopt Article IX, seconded and passed.

Commissioners moved to adopt Article X as drafted. It was seconded and passed.

Commissioner Juntala recommended that Article XII be changed to reflect a simple majority rather than a two-thirds majority vote.

Commission Owings-Rosenburgh moved that Article XII as amended be adopted. It was seconded and passed.

A motion was made for the Commission to be prepared to sign the By-Laws as amended at the next Commission Meeting. It was seconded and passed.

### **C. WAC 308-125 REVISIONS ANALYSIS**

Program Manager Santhuff provided the Commission with draft copies of WAC 308-125 and gave a historical overview of the evolution of the current draft.

Commissioner Farivar commenced the Commission review.

Definitions were acceptable as written.

WAC 308-125-020 was acceptable as written.

New Section identified as WAC 308-125-025 was acceptable.

Vice-chair Palmer recommended that, in the interest of time, the Commission discuss only those sections with issues.

WAC 308-125-070 Experience requirements - Condemnation Study was deleted.

WAC 308-125-075(1) Allowed credits for appraisal – It was recommended that forms be specifically identified for credit. Add Residential lot (form report) for 8 hours. Add "form report" to Multi-family residential. Delete the word Technical from appraisal review. Change hourly credit for appraisal review (single family) to 12 hours and appraisal review (commercial) to 40.  
WAC 308-125-090 Delete duplications.

New section identified as WAC 308-125-095 Responsibilities of the Appraiser Supervisor - acceptable as written.

It was recommended that the program begin charging for course approvals.

New section Business location and physical address was developed because of appraisers who utilize drop boxes. This section allows the department to collect not only business address but also physical location. Acceptable as written.

New section - Membership and participation in the Association of Appraiser Regulatory Officials. It was recommended that the Association of Appraiser Regulatory Officials not be specifically identified but to reference a professional organization that has a similar mission.

Chairperson Potter closed this issue and asked for public comment.

### III.

#### **PUBLIC COMMENT:**

George Nervik recommended that the ten-member education work group serve staggered terms. He then addressed some issues with the WAC revisions. He didn't believe that the proposed WAC was disseminated to enough stakeholders. Commissioner Farivar responded by saying that this meeting was specifically for exposure of the WAC to stakeholders and public and that the department and Commission are receptive to any comments/recommendations they may have.

Jason Pustek began by citing RCW 18.140.240(2) . . . “ to serve as a liaison between appraisal practitioners, the public, and the department. He said that there should be some mechanism in place to allow for public comment. He recommended that public comment be received prior to a vote being taken. He also recommended that people be allowed to comment on the agenda items and also bring up new business and that time be allotted to allow this to happen. He said that allowing an appraiser to supervise trainees 374 miles away is part of the problem. He suggested 75 miles and that was generous. He went on to recommend that supervisors be required to accompany the trainee on the first fifty assignments.

Program Manager Santhuff responded by stating that the first 25 assignments and the 375 miles were compromises with commercial stakeholders.

Jason Pustek recommended the section allowing more than three trainees be deleted.

Barry Wilson recommended that electronic signatures be allowed on reports claimed for experience credit. He also recommended that the appraisal form numbers be identified. He recommended that for the first year the trainee be on a face-to-face basis with the supervisory appraiser. He also recommended establishing a maximum distance that a trainee can live from the appraisal office. He also stated that he could see a problem with not identifying the type of appraisal in the first 25 assignments in that a person could perform exterior only appraisals for the first 25 assignments and would meet the requirement but offer limited training for the trainee.

Mike Reed addressed the Commission by saying that he was working toward the Certified General classification and that his latest assignment involved an

assignment in Alaska. He recommended that restrictions for upgrading appraisers and trainees should be differentiated.

Charles Munson recommended that the language in the section regarding the responsibilities of the appraiser supervisor be modified to reflect the acceptance of out-of-state work experience if appraiser is licensed in the other state and the trainee also has proper credentials. He also suggested new language for this new section subparagraph (e)(i) “Personally inspect with the trainee, each appraised property until the supervising appraiser determines the trainee is competent for the given property type in accordance with the Competency Rule of USPAP. For residential certification or licensing candidate this shall include at least 25 total properties within the appraisal log submitted for experience credit. For General Certification candidates this shall include at least 10 total properties within the appraisal log submitted for experience.” He also recommended deleting the words “the first” in the current language to allow the inspections to be spread over time. He recommended that the Commission contact appraisers who specialize in the commercial /industrial properties for normal turn-around times and, if needed, make adjustments to the maximum credit allowed.

A participant recommended that the 375 mile restriction not be decreased.

Sheridan Schaffer recommended that the mile restriction be decreased to 75 miles with the provision that the director may make exceptions to increase the miles.

**IV. ADJOURNMENT**

There being no further business, a motion was made, seconded and passed to adjourn. Meeting was adjourned at 12:30 a.m.

Respectfully Submitted,

***Original Signed***

David Santhuff

Real Estate Appraiser Program Manager